

**Public Joint Stock Company
Territorial Generating Company No.1**

**International Financial Reporting Standards
(IFRS)**

**Interim Condensed Consolidated Financial
Statements (unaudited)**

**30 September 2021
St. Petersburg 2021**

Contents


Interim Condensed Consolidated Statement of Financial Position	3
Interim Condensed Consolidated Statement of Comprehensive Income	4
Interim Condensed Consolidated Statement of Cash Flows.....	5
Interim Condensed Consolidated Statement of Changes in Equity	6

Notes to the Interim Condensed Consolidated Financial Statements


Note 1.	General information	7
Note 2.	Basis of preparation.....	8
Note 3.	Summary of Significant Accounting Policies and Accounting Estimates.....	8
Note 4.	Segment information	9
Note 5.	Related Parties.....	11
Note 6.	Property, Plant and Equipment.....	17
Note 7	Accounts receivable and prepayments	19
Note 8	Financial assets.....	19
Note 9	Inventories	20
Note 10	Cash and Cash Equivalents	20
Note 11	Share capital	20
Note 12	Borrowings	20
Note 13	Accounts payable and other liabilities.....	21
Note 14	Income tax	21
Note 15	Other taxes payable	22
Note 16	Revenue	23
Note 17	Operating Expenses.....	23
Note 18	Finance Income and Finance Costs	23
Note 19	Basic earnings per share, attributable to the owners of PJSC «TGC-1».....	24
Note 20	Commitments	24
Note 21	Fair value of financial instruments	24
Note 22	Events after the Reporting Period.....	25

PJSC TERRITORIAL GENERATING COMPANY №1
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2021 (UNAUDITED)
(in millions of Russian Roubles)

	Notes	30 September 2021	31 December 2020
ASSETS			
Non-current assets			
Property, plant and equipment	6	153 226	151 135
Investment property		159	139
Intangible assets		3 751	3 859
Investments in associates		447	436
Accounts receivable and prepayments	7	1 075	1 391
Deferred income tax assets	14	265	140
Total non-current assets		158 923	157 100
Current assets			
Inventories	9	4 219	3 728
Accounts receivable and prepayments	7	10 775	14 057
Current income tax prepayments		872	49
Cash and cash equivalents	10	2 817	1 036
Financial assets	8	4 642	14 817
Total current assets		23 325	33 687
Total assets		182 248	190 787
EQUITY AND LIABILITIES			
Equity			
Share capital	11	38 543	38 543
Share premium		22 914	22 914
Accumulated earnings and other reserves		70 562	66 803
Equity attributable to the Company's owners		132 019	128 260
Non-controlling interest		13 019	10 698
Total equity and reserves		145 038	138 958
Non-current liabilities			
Borrowings	12	1 600	9 500
Post-employment benefits obligations		1 166	1 166
Accounts payable and other liabilities	13	548	444
Lease liabilities		4 319	5 245
Deferred tax liabilities	14	10 518	10 228
Total non-current liabilities		18 151	26 583
Current liabilities			
Borrowings	12	7 972	7 747
Accounts payable and other liabilities	13	8 760	12 897
Current income tax payable		10	747
Other taxes payable	15	723	1 557
Lease liabilities		1 594	2 298
Total current liabilities		19 059	25 246
Total liabilities		37 210	51 829
Total equity and liabilities		182 248	190 787


A. P. Anisimova
Deputy Managing Director of economics
and finance


«8» November 2021


R. V. Stanishevskaya
Chief Accountant

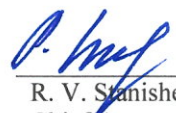
«8» November 2021

PJSC TERRITORIAL GENERATING COMPANY №1
INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR NINE MONTHS ENDED 30 SEPTEMBER 2021 (UNAUDITED)
(in millions of Russian Roubles)

	Notes	Three months ended 30 September		Nine months ended 30 September	
		2021	2020	2021	2020
Revenue	16	16 823	14 365	71 751	61 645
Operating expenses	17	(17 450)	(14 670)	(62 799)	(53 220)
Impairment gain / (loss) on financial assets		249	55	229	(192)
Operating profit		(378)	(250)	9 181	8 233
Finance income	18	213	72	513	421
Finance costs	18	(270)	(226)	(830)	(839)
Share of profit of associates		(13)	(14)	11	5
Profit / (loss) before income tax		(448)	(418)	8 875	7 820
Income tax (expense) / income	14	(43)	43	(1 668)	(1 445)
Profit / (loss) for the period		(491)	(375)	7 207	6 375
Total comprehensive income / (expense) for the period		(491)	(375)	7 207	6 375
Profit / (loss) for the period is attributable to:					
Owners of the TGC-1		(597)	(521)	6 823	5 931
Non-controlling interests		106	146	384	444
Total comprehensive income / (expense) for the period is attributable to:					
Owners of the TGC-1		(597)	(521)	6 823	5 931
Non-controlling interests		106	146	384	444
Earnings per ordinary share for basic profit / (loss) attributable to owners of the TGC-1 (in Russian Roubles)	19	(0.0002)	(0.0001)	(0.0018)	(0.0015)


A. P. Anisimova
Deputy Managing Director of economics
and finance

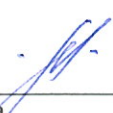
«8» November 2021


R. V. Stanishevskaya
Chief Accountant

«8» November 2021

PJSC TERRITORIAL GENERATING COMPANY №1
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR NINE MONTHS
ENDED 30 SEPTEMBER 2021 (UNAUDITED)
(in millions of Russian Roubles)

	Notes	Nine months ended 30 September 2021	Nine months ended 30 September 2020
Cash flows from operating activities			
Profit before income tax		8 875	7 820
Adjustments for:			
Depreciation and amortisation	17	8 649	8 298
(Impairment gain) / loss on financial assets		(229)	192
Impairment gain on non-financial assets		(3)	-
Share of profit of associates		(11)	(5)
Gain on disposals of property, plant and equipment and other assets	17	(220)	(82)
Finance income	18	(513)	(421)
Finance expense	18	830	839
Other non-cash items		(12)	(16)
Operating cash flows before working capital changes		17 366	16 625
Changes in working capital:			
Change in trade receivables and prepayments	7	3 843	3 842
Change in inventories	9	(299)	(341)
Change in trade and other payables	13	(1 307)	(2 184)
Change in other taxes payable	15	(834)	235
Changes in working capital		1 403	1 552
Income taxes paid		(3 062)	(1 642)
Interest paid		(804)	(830)
Net cash from operating activities		14 903	15 705
Cash flows from investing activities			
Purchase of property, plant and equipment, intangible assets and other non-current assets		(12 837)	(10 352)
Proceeds from sale of property, plant and equipment and other assets		25	50
Repayment of borrowings		10 215	7 550
Interest paid and capitalised		(51)	(84)
Interest received		337	201
Net cash used in (from) investing activities		(2 311)	(2 635)
Cash flows from financing activities			
Proceeds from borrowings		809	208
Repayments of borrowings		(8 496)	(10 105)
Repayments of lease liabilities		(1 501)	(1 353)
Proceeds from subsidiary share issue		2 500	3 000
Dividends paid to the Company's shareholders		(4 126)	(3 995)
Net cash from financing activities		(10 814)	(12 245)
Effect of exchange rate changes on cash and cash equivalents		3	1
Net increase in cash and cash equivalents		1 781	826
Cash and cash equivalents at the beginning of the year	10	1 036	881
Cash and cash equivalents at the end of the year	10	2 817	1 707


A. P. Anisimova
Deputy Managing Director of economics
and finance

«8» November 2021


R. V. Stanishevskaya
Chief Accountant

«8» November 2021

The accompanying notes on the pages 7-25 are an integral part of these interim condensed consolidated financial statements.

PJSC TERRITORIAL GENERATING COMPANY №1
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR NINE MONTHS ENDED 30 SEPTEMBER 2021 (UNAUDITED)
(in millions of Russian Roubles)

	Attributable to owners of the Company				Non- controlling interest	Total equity
	Share capital	Share premium	Accumulated earnings	Total		
Balance at 1 January 2020	38 543	22 914	61 295	122 752	8 921	131 673
Profit for the period	-	-	5 931	5 931	444	6 375
Total comprehensive income for the period	-	-	5 931	5 931	444	6 375
Transactions with owners recognised directly in equity						
Dividends declared	-	-	(3 995)	(3 995)	-	(3 995)
Change in ownership of subsidiary	-	-	1 417	1 417	1 583	3 000
Balance at 30 September 2020	38 543	22 914	64 648	126 105	10 948	137 053
Balance at 1 January 2021	38 543	22 914	66 803	128 260	10 698	138 958
Profit for the period	-	-	6 823	6 823	384	7 207
Total comprehensive income for the period	-	-	6 823	6 823	384	7 207
Transactions with owners recognised directly in equity						
Dividends declared	-	-	(4 126)	(4 126)	-	(4 126)
Change in ownership of subsidiary	-	-	1 062	1 062	1 937	2 999
Balance at 30 September 2021	38 543	22 914	70 562	132 019	13 019	145 038


A. P. Anisimova
Deputy Managing Director of economics
and finance

«8» November 2021


R. V. Stanishevskaya
Chief Accountant

«8» November 2021

Note 1. General information

1.1 Organisation and operations

Public Joint-Stock Company (PJSC) Territorial Generating Company № 1 (here in after “TGC-1”) was incorporated and is domiciled in the Russian Federation.

The Company’s principal business activity is production and sale of electric energy, heat energy and capacity. The Group includes 52 power plants located in four regions of Russia: St. Petersburg, Karelia region, the Leningrad region and the Murmansk region.

The Company is registered in the Russian State Tax Inspection of Saint-Petersburg № 15. The Company’s registered office is located at 16 Dobrolyubova prospect, 2A building, St. Petersburg, Russian Federation, 197198.

PJSC “TGC-1” and its subsidiaries, presented below, are the Group TGC-1 (here in after the “Group”):

Subsidiary	Type of business activity	% of ownership	
		30 September 2021	31 December 2020
JSC Murmanskaya TPP	production of electric energy and capacity, heat energy, heat capacity	98.8749	98.8536
JSC St Petersburg Heating Grid	transfer and distribution of heat	60.5174	65.5814
LLC TSTP SEVERO-ZAPAD	transfer and distribution of heat	60.5174	65.5814

In nine months 2021 JSC St Petersburg Heating Grid received the budget funding of Saint-Petersburg under reconstruction heat grids in the amount of RUB 2 500 million and property in the amount of RUB 499 million (in nine months 2020 the budget funding amounted to RUB 3 000 million). Budget funding resulted to increase in the ownership of Saint-Petersburg for the part of share capital of JSC St Petersburg Heating Grid and reducing of TGC-1 share to 60.5174% as at 30 September 2021 (as at 31 December 2020 – to 65.5814%).

1.2 Government relations and influence on the Group’s activities

At the date of interim condensed consolidated financial statements the Russian Federation owned (both directly and indirectly) over 50% in PJSC Gazprom through its 100% subsidiary LLC Gazprom energoholding (immediate Group’s parent company) which holds 51,79% of PJSC “TGC-1” as at 30 September 2021. Thus PJSC Gazprom is the parent company of the Group and the Russian Federation is the ultimate controlling party of the Group.

The Group’s customer base includes a large number of entities controlled by or related to the Government. The Group’s supply chain includes subsidiaries of PJSC Gazprom. The Government also controls the number of Group’s suppliers.

The Russian Federation directly affects the Group’s operations through regulations of wholesale and retail sales of electricity and heat exercised by the Federal Antimonopoly Service (the “FAS”) and the executive authorities in tariff regulation. JSC SO UPS, which is controlled by the Russian Federation as Federal Agency of State Property Management regulates operations of generating assets of the Group.

The Government’s economic, social and other policies could materially affect operations of the Group.

1.3 Business environment in the Russian Federation

The economy of the Russian Federation displays certain characteristics of an emerging market. Tax, currency and customs legislation of the Russian Federation continues to develop and are a subject to varying interpretations. Fluctuations in oil prices, continuing political tensions in the region, as well as international sanctions against some Russian organisations and citizens have had and can continue to affect the economy of the Russian Federation.

The financial markets continue to be volatile and are characterised by frequent significant price movements and increased trading spreads. These events may have a further significant impact on the Group's future operations and financial position, the effect of which is difficult to predict. The future economic and regulatory situation and its impact on the Group's operations may differ from management's current expectations.

The COVID-19 pandemic outbreak that occurred in 2020 had significant negative effect on the global economy. The response measures adopted to limit the virus spreading resulted in lower of economic activity of electricity market participants. The scale and duration of that events remain uncertain and have effect on the Group's financial standing and results.

The Group's management considers that takes all necessary measures to support constancy and development of business in current circumstances. During pandemic spreading the Company adopted operational response measures to prevent virus spreading on the Group's objects that resulted in excluding the virus influence on the Group's technological and functional processes stability.

1.4 Seasonality

Demand for electricity and heat is influenced by both the season of the year and the relative severity of the weather. Revenues from heating are concentrated within the months of October to March. Similar, though less severe, concentration of electricity sales occurs within the same period. The seasonality of electricity and heat production has a corresponding impact on the usage of fuel and purchases of electricity. This seasonality does not impact on the revenue or cost recognition policies of the Group.

Note 2. Basis of preparation

These Interim Condensed Consolidated Financial Statements have been prepared in accordance with IAS 34 "Interim Financial Reporting". These Interim Condensed Consolidated Financial Statements should be read in conjunction with the annual Consolidated Financial Statements as at and for the year ended 31 December 2020, which were prepared in accordance with International Financial Reporting Standards (IFRS).

Note 3. Summary of Significant Accounting Policies and Accounting Estimates

The significant accounting policies followed by the Group and the critical accounting estimates in applying accounting policies are consistent with those disclosed in the consolidated financial statements for the year ended 31 December 2020.

3.1 Amendments to existing Standards that are not yet effective and have not been early adopted by the Group

A number of amendments to the standards are effective for the annual periods beginning on or after 1 January 2022. In particular, the Group has not early apply the following changes to the standards:

- Amendments to *IAS 1 Presentation of Financial Statements* (issued in January 2020 and effective for annual periods beginning on or after 1 January 2023). The amendments specify the requirements for classifying liabilities as current or non-current.
- Amendments to *IFRS 9 Financial Instruments* (issued in May 2020 and effective for annual periods beginning on or after 1 January 2022). The amendment clarifies the fees that an entity includes when

assessing whether the terms of a new or modified financial liability are substantially different from the terms of original financial liability.

- Amendments to *IAS 37 Provisions, Contingent Liabilities and Contingent Assets* (issued in May 2020 and effective for annual periods beginning on or after 1 January 2022). The amendments clarify what costs are included in the estimate of the costs of fulfilling contract obligations in order to identify it as onerous.
- Amendments to *IAS 16 Property, Plant and Equipment* (issued in May 2020 and effective for annual periods beginning on or after 1 January 2022). The amendment prohibits entities deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced during the period when the asset was prepared for its intended use. Instead, such sales and related costs are recognised in profit or loss.
- Amendments to *IAS 1 Presentation of Financial Statements* (issued in February 2021 and effective for annual periods beginning on or after 1 January 2023). The amendments specify materiality judgements to accounting policy disclosures.
- Amendments to *IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors* (issued in February 2021 and effective for annual periods beginning on or after 1 January 2023). The amendments clarify the distinction between accounting policies and accounting estimates.
- Amendments to *IAS 12 Income Taxes* (issued in May 2021 and effective for annual periods beginning on or after 1 January 2023). The amendments specify the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition.

The Group is currently assessing how these changes will affect its financial position and results of operations.

Note 4. Segment information

The Board of Directors and Managing Director of the Company (here in after “Management”) are the Chief operating decision-makers. The decision-maker reviews the Group’s internal management report in order to assess performance of the Group and allocate resources.

The technology of electricity and heat production does not allow segregation of electricity and heat segments. The Company’s branches are managed separately due to significant decentralization and separate location, as a result the Group discloses six primary reportable segments: TPP of Nevsky branch, HPS of Nevsky branch, St. Petersburg Heating Grid, Kolsky branch, Karelsky branch, Murmanskaya TPP.

All reportable segments are located within the Russian Federation.

In the process of evaluation of segments, results and allocation of economic resources of the Group the Management uses financial information provided below prepared in accordance with RAR. The differences between the above-mentioned financial indicators analysed by the Management and IFRS financial information are caused by different approaches applied in IFRS and RAR. The main differences relate to the respective carrying values of property, plant and equipment.

Considering that the management responsible for decision-making does not review assets and liabilities by each reportable segment not least because of the lack of technical capabilities to present such information, the Group does not disclose assets and liabilities by segments.

PJSC TERRITORIAL GENERATING COMPANY №1
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR NINE MONTHS ENDED 30 SEPTEMBER 2021
(UNAUDITED)
(in millions of Russian Roubles)

4.1 Financial results of segments

The segment information for three and nine months ended 30 September 2021 and 30 September 2020 is as follows:

Three months ended 30 September 2021	St.										
	TPP of Nevsky branch	HPS of Nevsky branch	Petersburg Heating Grid	Kolsky branch	Karelsky branch	Murman- skaya TPP	Unallocated segments	Total segments	Eliminations	Adjustments	Total
Revenue:	8 532	2 186	2 385	3 628	1 729	1 160	19	19 639	(2 796)	(20)	16 823
<i>including export</i>	-	852	-	729	-	-	-	1 581	-	-	1 581
Depreciation of property, plant, equipment	1 359	152	692	202	146	30	5	2 586	-	205	2 791
Reportable segment profit/(loss)	(3 987)	1 268	179	1 535	101	113	4	(787)	-	409	(378)
Three months ended 30 September 2020	St.										
	TPP of Nevsky branch	HPS of Nevsky branch	Petersburg Heating Grid	Kolsky branch	Karelsky branch	Murman- skaya TPP	Unallocated segments	Total segments	Eliminations	Adjustments	Total
Revenue:	8 299	1 194	2 451	2 494	1 443	1 176	3	17 060	(2 672)	(23)	14 365
<i>including export</i>	-	73	-	78	-	-	-	151	-	-	151
Depreciation of property, plant, equipment	1 377	142	650	200	137	27	-	2 533	-	399	2 932
Reportable segment profit/(loss)	(2 644)	666	254	949	144	559	(9)	(81)	-	(169)	(250)
Nine months ended 30 September 2021	St.										
	TPP of Nevsky branch	HPS of Nevsky branch	Petersburg Heating Grid	Kolsky branch	Karelsky branch	Murman- skaya TPP	Unallocated segments	Total segments	Eliminations	Adjustments	Total
Revenue:	44 880	6 075	7 142	10 980	6 576	4 209	44	79 906	(8 572)	417	71 751
<i>including export</i>	-	2 007	-	1 566	-	-	-	3 573	-	-	3 573
Depreciation of property, plant, equipment	4 057	466	2 074	606	430	90	16	7 739	-	559	8 298
Reportable segment profit/(loss)	(382)	3 425	267	3 983	909	(592)	1	7 611	-	1 570	9 181
Nine months ended 30 September 2020	St.										
	TPP of Nevsky branch	HPS of Nevsky branch	Petersburg Heating Grid	Kolsky branch	Karelsky branch	Murman- skaya TPP	Unallocated segments	Total segments	Eliminations	Adjustments	Total
Revenue:	41 638	3 376	7 335	7 755	5 593	4 214	38	69 949	(8 299)	(5)	61 645
<i>including export</i>	-	107	-	181	-	-	-	288	-	-	288
Depreciation of property, plant, equipment	4 093	406	1 939	589	406	81	16	7 530	-	498	8 028
Reportable segment profit	676	2 007	882	2 061	806	1 207	4	7 643	-	590	8 233

PJSC TERRITORIAL GENERATING COMPANY №1
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR NINE
MONTHS ENDED 30 SEPTEMBER 2021 (UNAUDITED)
(in millions of Russian Roubles)

Reconciliation of the segment result to operating profit in the interim condensed consolidated statement of comprehensive income for three and nine months ended 30 September 2021 and 30 September 2020 is provided as follows:

	Three months ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
<i>Revenue reclassification adjustments</i>	(20)	(23)	417	(5)
Depreciation adjustment	(205)	(399)	(559)	(498)
Impairment gain / (loss) on financial assets	249	55	229	(192)
Discounting effect	660	465	1 990	1 838
Other adjustments	(275)	(267)	(507)	(553)
	429	(146)	1 153	595
Total adjustments to operating profit / (loss)	409	(169)	1 570	590

4.2 Key customers

The revenue presented in segment revenue includes two customers with the revenue exceeding 10% of the Group's revenue for three and nine months ended 30 September 2021 and amounting to RUB 1 841 million and 8 834 million (for three and nine months ended 30 September 2020 the revenue of two customers exceeding 10% of the Group's revenue, amounted to RUB 1 737 million and RUB 7 813 million respectively).

Note 5. Related Parties

In the interim condensed consolidated financial statements, a related party is a person or entity that has control or significant influence over the other party in financial and operational decisions as determined in IAS 24 "Related parties".

Transactions with related parties have been made mostly on the same terms and conditions as similar operations with the parties external to the Group. Prices for natural gas and capacity are based on tariffs set by FAS and also based on competitive take-off on the wholesale electricity (capacity) market rates. Loans and borrowings are provided on market terms. Bank deposits are placed on market terms.

PJSC Gazprom is the ultimate parent company of the Group. The Russian Federation is the ultimate controlling party of the Group.

(a) Gazprom Group and its associates

As at and for three and nine months, ended 30 September 2021 and 30 September 2020 the Group's significant transactions and outstanding balances with Gazprom Group and its associates are detailed below:

Revenue

	Three months ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
Electricity and capacity	162	153	445	515
Heating	30	25	316	230
Other sales	10	6	26	39
Total revenue	202	184	787	784

PJSC TERRITORIAL GENERATING COMPANY №1
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR NINE
MONTHS ENDED 30 SEPTEMBER 2021 (UNAUDITED)
(in millions of Russian Roubles)

Operating expenses

	Three months ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
Fuel	4 514	3 001	22 475	18 182
Repairs, maintenance and service	394	151	595	412
Electricity and capacity purchases	40	11	119	32
Security and fire safety	6	6	19	19
Other operating expenses	259	91	873	671
Total operating expenses	5 213	3 261	24 082	19 316

Finance Income and Finance Costs

	Three months ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
Finance income				
Interest income on loans issued	128	40	368	217
Interest income on bank deposits and current bank accounts balances	-	-	1	4
Other finance income	63	-	63	-
Total finance income	191	40	432	221
Finance costs				
Interest expense on lease	(74)	(110)	(250)	(341)
Interest expense on loans and borrowings	(17)	(2)	(51)	(40)
Total finance costs	(91)	(112)	(301)	(381)

Balances

	30 September 2021	31 December 2020
Short-term financial assets	4 642	14 814
Long-term accounts receivable and prepayments	938	955
Short-term accounts receivable and prepayments	633	593
Cash and cash equivalents	5	43
Total assets	6 218	16 405
Long-term lease liabilities	2 957	3 722
Short-term accounts payable and other liabilities	2 930	6 185
Short-term lease liabilities	1 529	2 248
Short-term borrowings and loans	818	1 247
Long-term accounts payable and other liabilities	473	350
Total liabilities	8 708	13 752

For nine months ended 30 September 2021 the dividends declared, due to the direct parent Company (LLC Gazprom energoholding) amounted to RUB 2 137 million (for nine months ended 30 September 2020: RUB 2 069 million).

Purchase of non-current and current assets

	Three months ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
Purchases of property, plant and equipment	2 558	1 346	9 191	4 691
Purchases of materials and other assets	115	9	212	30
Total purchases of non-current and current assets	2 673	1 355	9 403	4 721

PJSC TERRITORIAL GENERATING COMPANY №1
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR NINE
MONTHS ENDED 30 SEPTEMBER 2021 (UNAUDITED)
(in millions of Russian Roubles)

The advances given to contractors of Gazprom group net of VAT, recognised within the construction in progress balance, amounted to RUB 1 049 million as at 30 September 2021 (as at 31 December 2020: RUB 2 819 million).

(b) Transactions with other State-controlled entities

Information below excludes transactions and outstanding balances with Gazprom Group and its associates as disclosed in Note 5 (a).

The Group had the following significant transactions with state-controlled entities as at and for three and nine months ended 30 September 2021 and 30 September 2020:

Revenue

	Three months ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
Heating	1 627	847	14 945	12 796
Electricity and capacity	3 683	3 157	10 925	7 620
Other sales	58	33	119	86
Total revenue	5 368	4 037	25 989	20 502

Operating expenses

	Three months ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
Water usage	615	689	2 200	2 174
Purchased electricity and capacity	330	82	1 102	263
Fees of electricity market operators	263	229	748	656
Security and fire safety	259	178	692	527
Heat transfer	89	172	598	1 006
Purchased heat energy	26	24	89	270
Repairs, maintenance and service	12	-	88	-
Fuel	66	-	66	-
Other operating expenses	191	104	651	421
Total operating expenses	1 851	1 478	6 234	5 317

Finance Income and Finance Costs

	Three months ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
Finance income				
Interest income on cash deposit and cash in bank	-	3	-	3
Total finance income	-	3	-	3
Finance costs				
Interest expense on loans and borrowings	(69)	-	(219)	(72)
Interest expense on lease	(31)	(34)	(100)	(101)
Total finance costs	(100)	(34)	(319)	(173)

PJSC TERRITORIAL GENERATING COMPANY №1
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR NINE
MONTHS ENDED 30 SEPTEMBER 2021 (UNAUDITED)
(in millions of Russian Roubles)

Balances

	30 September 2021	31 December 2020
Short-term accounts receivable and prepayments	7 301	8 441
Cash and cash equivalents	2 781	972
Long-term accounts receivable and prepayments	351	857
Provision for expected credit losses on long-term receivables and prepayments	(226)	(498)
Provision for expected credit losses on short-term receivables and prepayments	(4 453)	(4 172)
Total assets	5 754	5 600
Short-term borrowings	3 101	4 463
Short-term accounts payable and other liabilities	1 604	1 244
Long-term borrowings	1 600	7 500
Long-term lease liabilities	1 017	1 213
Long-term accounts payable and other liabilities	75	93
Short-term lease liabilities	34	32
Total liabilities	7 431	14 545

Purchase of non-current and current assets

	Three months ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
Purchases of materials and other assets	734	298	3 499	1 622
Purchases of property, plant and equipment	24	11	142	120
<i>including capitalized borrowing costs from related parties</i>	<i>19</i>	<i>-</i>	<i>51</i>	<i>5</i>
Total purchases of non-current and current assets	758	309	3 641	1 742

Some of the transactions on the wholesale electricity and capacity market are conducted through commission agreements with JSC Centre of Financial Settlements (CFS). CFS's current financial settlement system of CFS does not provide with automated information about transactions and settlement balances with end consumers. Government-related entities, Gazprom Group and its subsidiaries may also act as counterparties.

The Group had the following significant transactions with CFS, presented below:

Revenue and operating expenses

	Three months ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
Sales of electricity and capacity	6 805	4 969	23 461	17 877
Purchases of electricity and capacity	(1 526)	(997)	(4 823)	(3 138)
Total revenue	5 279	3 972	18 638	14 739

Balances

	30 September 2021	31 December 2020
Short-term accounts receivable and prepayments	1 117	1 175
Provision for expected credit losses on receivables	(13)	(3)
Total assets	1 104	1 172
Short-term accounts payable and other liabilities	309	237
Total liabilities	309	237

PJSC TERRITORIAL GENERATING COMPANY №1
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR NINE
MONTHS ENDED 30 SEPTEMBER 2021 (UNAUDITED)
(in millions of Russian Roubles)

(c) Transactions with other related parties

Other related parties include the Company's shareholder with a significant influence (Fortum Power and Heat OY) and associates - LLC TGC Service (until 30 August 2021) and JSC Hibinskaya Heating Company.

Revenue

	Three months ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
Electricity and capacity	852	73	2 007	107
Heating	14	13	57	53
Other sales	1	1	2	3
Total revenue	867	87	2 066	163

Operating expenses

	За три месяца, закончившихся 30 сентября		За девять месяцев, закончившихся 30 сентября	
	2021 года	2020 года	2021 года	2020 года
Ремонт, техническое и сервисное обслуживание	371	348	780	841
Транспортировка теплоэнергии	95	96	414	405
Прочие операционные расходы	3	8	27	12
Итого операционные расходы	469	452	1 221	1 258

Balances

	30 September 2021	31 December 2020
Short-term accounts receivable and prepayments	265	138
Total assets	265	138
Short-term accounts payable and other liabilities	44	706
Total liabilities	44	706

For nine months ended 30 September 2021 the dividends declared, due to Fortum Power and Heat OY amounted to RUB 1 237 million (for nine months ended 30 September 2020: RUB 1 177 million).

Purchase of non-current and current assets

	Three months ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
Purchases of property, plant and equipment	80	111	271	484
Purchases of materials and other assets	-	-	-	7
Total purchases of non-current and current assets	80	111	271	491

(d) Transactions with the key management personnel

Short-term compensation for services of key management personnel includes compensation to the members of the Board of Directors for their services at the management positions and participation in the meetings of the Board of Directors and comprised of a monthly salary, bonuses, taxes charge and other obligatory payments to relevant budgets, medical insurance costs.

PJSC TERRITORIAL GENERATING COMPANY №1
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR NINE
MONTHS ENDED 30 SEPTEMBER 2021 (UNAUDITED)
(in millions of Russian Roubles)

	Three months ended		Nine months ended	
	30 September		30 September	
	2021	2020	2021	2020
Salaries and bonuses	12	8	20	13
Social taxes and contributions	7	6	9	8
Benefits to the Board of Directors	25	23	27	27
Total	44	36	56	48

As at 30 September 2021 and 31 December 2020 the payables to key management amounted to RUB 1 million. Remuneration to managing organisation LLC Gazprom energoholding for three and nine months ended 30 September 2021 was in the amount of RUB 0 million and 49 million respectively (for three and nine months ended 30 September 2020: RUB 23 million and 50 million respectively).

(e) *Amount of outstanding contractual commitments for the construction of property, plant and equipment*

	30 September 2021	31 December 2020
PJSC Gazprom and its subsidiaries	20 679	11 103
Other related parties	-	864
State-controlled entities	259	96
Total	20 938	12 063

PJSC TERRITORIAL GENERATING COMPANY №1
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR NINE MONTHS ENDED 30 SEPTEMBER 2021 (UNAUDITED)
(in millions of Russian Roubles)

Note 6. Property, Plant and Equipment

Movements in the carrying amount of property, plant and equipment were as follows:

	Right-of-use assets	Heating networks	Buildings and constructions	Machinery and equipment	Vehicles and other	Construction in progress	Total
<i>Initial cost</i>							
Balance as at 1 January 2020	11 372	55 686	46 278	75 708	48 261	20 350	257 655
Additions	159	62	-	-	95	9 615	9 931
Disposals	(16)	-	(4)	(16)	(121)	(10)	(167)
Effect of lease agreements modifications	(467)	-	-	-	-	-	(467)
Transfers	-	261	814	1 683	1 578	(4 336)	-
Transfer from other accounts	-	-	181	150	45	-	376
Balance as at 30 September 2020	11 048	56 009	47 269	77 525	49 858	25 619	267 328
Balance as at 1 January 2021	11 079	59 250	47 640	77 993	51 920	24 018	271 900
Additions	77	667	-	2	180	9 726	10 652
Disposals	(97)	(11)	(107)	(57)	(106)	(52)	(430)
Effect of lease agreements modifications	(103)	-	-	-	-	-	(103)
Transfers	-	385	425	1 781	1 984	(4 575)	-
Transfer to other accounts	-	-	(10)	-	(25)	-	(35)
Balance as at 30 September 2021	10 956	60 291	47 948	79 719	53 953	29 117	281 984
<i>Accumulated depreciation and impairment</i>							
Balance as at 1 January 2020	(1 485)	(29 947)	(19 903)	(33 410)	(23 629)	(674)	(109 048)
Charge for the period	(1 066)	(1 142)	(605)	(2 228)	(2 987)	-	(8 028)
Disposals	2	-	2	16	110	-	130
Transfer from (to) other accounts	-	(37)	(187)	(121)	(23)	60	(308)
Balance as at 30 September 2020	(2 549)	(31 126)	(20 693)	(35 743)	(26 529)	(614)	(117 254)
Balance as at 1 January 2021	(2 909)	(32 422)	(20 917)	(36 476)	(27 444)	(597)	(120 765)
Charge for the period	(990)	(1 219)	(668)	(2 330)	(3 091)	-	(8 298)
Disposals	34	9	102	57	98	-	300
Transfer to other accounts	-	-	2	-	3	-	5
Impairment loss transferred from construction in progress in property, plant and equipment	-	(32)	-	(2)	(1)	35	-
Balance as at 30 September 2021	(3 865)	(33 664)	(21 481)	(38 751)	(30 435)	(562)	(128 758)

PJSC TERRITORIAL GENERATING COMPANY №1
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR NINE MONTHS ENDED 30 SEPTEMBER 2021 (UNAUDITED)
(in millions of Russian Roubles)

<i>Net book value</i>									
Balance as at 1 January 2020	9 887	25 739	26 375	42 298	24 632	19 676	148 607		
Balance as at 30 September 2020	8 499	24 883	26 576	41 782	23 329	25 005	150 074		
Balance as at 1 January 2021	8 170	26 828	26 723	41 517	24 476	23 421	151 135		
Balance as at 30 September 2021	7 091	26 627	26 467	40 968	23 518	28 555	153 226		

PJSC TERRITORIAL GENERATING COMPANY №1
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR NINE
MONTHS ENDED 30 SEPTEMBER 2021 (UNAUDITED)
(in millions of Russian Roubles)

The property, plant and equipment include the right-of-use assets in the amount of RUB 7 091 million, primarily related to the land plots, generating equipment and office buildings.

The “Vehicles and other” group includes land plots, motor vehicles, computer equipment, office fixtures and other equipment.

Total cash outflow for leases for nine months ended 30 September 2021 was RUB 1 878 million, including interest paid on lease liabilities RUB 377 million and RUB 1 501 million for repayment of lease liability (for nine months ended 30 September 2020 - RUB 469 million and RUB 1 353 million respectively).

There were no property, plant and equipment pledged as collateral according to loan agreements.

Note 7 Accounts receivable and prepayments

	30 September 2021	31 December 2020
Long-term receivables		
Trade receivables	395	678
Other receivables	20	19
Total financial receivables	415	697
Advances to suppliers and prepaid expenses	660	694
Total non-financial receivables	660	694
Total long-term receivables and prepayments	1 075	1 391
Short-term receivables		
Trade receivables	9 511	12 331
Other receivables	107	137
Total financial receivables	9 618	12 468
Advances to suppliers and prepaid expenses	587	1 320
VAT recoverable	451	138
Tax prepayments other than income tax	119	131
Total non-financial receivables	1 157	1 589
Total short-term receivables and prepayments	10 775	14 057

Trade receivables is presented net of allowance for expected credit losses in the amount of RUB 8 931 million and 9 295 million as at 30 September 2021 and 31 December 2020 respectively.

Other receivables is presented net of allowance for expected credit losses in the amount of RUB 125 million and 133 million as at 30 September 2021 and 31 December 2020 respectively.

These allowances are primarily related to short-term receivables and prepayments except the allowance for trade receivables in the amount of RUB 228 million that was recognised for long-term receivables as at 30 September 2021 (as at 31 December 2020: RUB 657 million)

Note 8 Financial assets

	30 September 2021	31 December 2020
Loans issued (including %)	4 642	14 817
Total short-term financial assets	4 642	14 817

As at 30 September 2021 the financial asset and provision for impairment loss were written off in the amount of RUB 30 million. The provision for impairment of financial assets was RUB 30 million as at 31 December 2020.

Note 9 Inventories

	30 September 2021	31 December 2020
Fuel	2 706	2 644
Raw materials and other supplies	1 008	761
Spare parts	500	319
Other inventories	5	4
Total inventories	4 219	3 728

As at 30 September 2021 the provision for impairment of the inventories was RUB 26 million (as at 31 December 2020: RUB 29 million).

The Group does not have pledged inventories as at 30 September 2021 and 31 December 2020.

Note 10 Cash and Cash Equivalents

	30 September 2021	31 December 2020
Cash in bank and in hand	2 817	1 036
Total cash and cash equivalents	2 817	1 036

As at 30 September 2021 cash and cash equivalents comprise restricted cash in the amount of RUB 2 778 million, provided by Saint-Petersburg as a budget funding of investment program for JSC St Petersburg Heating Grid (as at 31 December 2020: RUB 966 million).

Note 11 Share capital

Share capital and share premium

As at 30 September 2021 and as at 31 December 2020 the declared share capital comprised 3 854 341 416 571 ordinary shares with a par value of RUB 0.01. All shares authorised are issued and fully paid.

Share premium amounted to RUB 22 914 million includes excess of the cash proceeds from the issue of share capital over its par value.

Dividends

On 18 June 2021 the Annual General Shareholders' Meeting of the PJSC TGC-1 made the decision to pay dividends for the results of Group's activity for 2020. The amount of declared dividends on the issuer shares was RUB 0.001070552 per share, total amount of dividends is RUB 4 126 million.

On 22 June 2020 the Annual General Shareholders' Meeting of the PJSC TGC-1 made the decision to pay dividends for the results of Group's activity for 2019. The amount of declared dividends on the issuer shares was RUB 0.001036523 per share, total amount of dividends is RUB 3 995 million.

Note 12 Borrowings

	30 September 2021	31 December 2020
Long-term borrowings		
Bank borrowings	1 600	7 500
Bonds	-	2 000
Total long-term borrowings	1 600	9 500
Short-term borrowings		
Bank borrowings	3 918	5 710
Current portion of long-term bank borrowings	1	-
Current portion of long-term bonds	4 053	2 037
Total short-term borrowings	7 972	7 747

PJSC TERRITORIAL GENERATING COMPANY №1
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR NINE
MONTHS ENDED 30 SEPTEMBER 2021 (UNAUDITED)
(in millions of Russian Roubles)

The terms and conditions of outstanding liabilities at the reporting date are as follows:

	Currency	Contractual interest rate	Maturity	30 September 2021	31 December 2020
Bank borrowings					
PJSC Sberbank RF	RUB	CR CB RF+1.15%	2021	3 100	3 100
PJSC Sberbank RF	RUB	CR CB RF+2.5%	2021-2022	1 601	8 863
Gazprombank JSC	RUB	8.55-9.0%	2021	814	1 246
Gazprombank JSC	RUB	CR CB RF+1.5%	2021	3	-
Bonds					
Bonds 03	RUB	CPI+1.5%	2021	2 038	2 004
Bonds 04	RUB	CPI+1.5%	2021-2022	2 016	2 034
Total				9 572	17 247

The Group is required to comply with certain covenants related to borrowings. The Group complied with these covenants as at 30 September 2021 and as at 31 December 2020.

Note 13 Accounts payable and other liabilities

	30 September 2021	31 December 2020
Long-term payables		
Trade payables	548	444
Total financial payables	548	444
Total long-term payables and other liabilities	548	444
Trade payables	3 914	5 161
Short-term payables for purchase of property, plant and equipment	2 294	5 258
Other payables	259	232
Total financial payables	6 467	10 651
Contractual liabilities	1 780	1 591
Other payables	513	655
Total non-financial payables	2 293	2 246
Total short-term payables and other liabilities	8 760	12 897

Note 14 Income tax

Income tax expense comprises the following:

	Three months ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
Current income tax charge	202	121	(1 514)	(899)
Income tax return for prior periods	-	-	11	-
Deferred income tax charge	(245)	(78)	(165)	(546)
Total income tax expense	(43)	43	(1 668)	(1 445)

PJSC TERRITORIAL GENERATING COMPANY №1
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR NINE
MONTHS ENDED 30 SEPTEMBER 2021 (UNAUDITED)
(in millions of Russian Roubles)

Tax effects of taxable and deductible temporary differences for nine months ended 30 September 2021 and for nine months ended 30 September 2020 are as follows:

	1 January	Recognised in profit or losses	30 September
Six months ended 30 June 2021			
Property, plant and equipment	(12 283)	262	(12 021)
Intangible assets	14	(1)	13
Accounts receivable and prepayments	636	(253)	383
Accounts payable and other liabilities	53	(23)	30
Employee benefit liabilities	203	(1)	202
Lease liabilities	1 292	(296)	996
Tax losses carried forward	-	146	146
Other	(3)	1	(2)
Total	(10 088)	(165)	(10 253)
Six months ended 30 June 2020			
Property, plant and equipment	(12 577)	63	(12 514)
Intangible assets	12	1	13
Accounts receivable and prepayments	768	(412)	356
Accounts payable and other liabilities	49	(1)	48
Employee benefit liabilities	202	-	202
Lease liabilities	1 528	(189)	1 339
Tax losses carried forward	-	-	-
Other	6	(8)	(2)
Total	(10 012)	(546)	(10 558)

Deferred income tax assets and liabilities were measured at the following tax rates as at 30 September 2021: PJSC «TGC-1» - 17.46%, JSC «Murmanskaya TPP» - 20%, JSC «St Petersburg Heating Grid» - 16.64% (as at 31 December 2020: PJSC «TGC-1» - 17.38%, JSC «Murmanskaya TPP» - 20%, JSC «St Petersburg Heating Grid» - 17.59%). Management considers the rates to be applied to the period when the assets are realised and liabilities are settled.

Some deferred tax assets and liabilities have been set off in accordance with the Group accounting policies. Amounts of deferred tax (after offsetting) reflected in the interim condensed consolidated statement of financial position are as follows:

	30 September 2021	31 December 2020
Deferred income tax assets	265	140
Deferred income tax liabilities	(10 518)	(10 228)
Deferred income tax liabilities, net	(10 253)	(10 088)

Note 15 Other taxes payable

	30 September 2021	31 December 2020
Property tax	306	292
Employee taxes	250	282
VAT payable	93	899
Other taxes	74	84
Total	723	1 557

PJSC TERRITORIAL GENERATING COMPANY №1
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR NINE
MONTHS ENDED 30 SEPTEMBER 2021 (UNAUDITED)
(in millions of Russian Roubles)

Note 16 Revenue

	Three months ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
Electricity and capacity	12 136	10 070	40 884	34 635
Heating	4 430	3 897	30 123	25 940
Other sales	257	398	744	1 070
Total	16 823	14 365	71 751	61 645

For nine months ended 30 September 2021 the Group received the grants from St. Petersburg and Murmansk regional budgets, included in revenue from heating sale, for a total amount of RUB 2 357 million (for nine months ended 30 September 2020: RUB 1 413 million).

Note 17 Operating Expenses

	Three months ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
Fuel	5 376	3 811	27 000	21 458
Depreciation and amortization	2 906	3 054	8 649	8 298
Employee benefits	2 485	2 473	7 563	7 407
Purchased electricity and capacity	1 992	1 411	6 326	3 861
Repairs, maintenance and service	1 519	1 319	3 025	2 695
Water usage	730	733	2 315	2 295
Heat transfer	286	276	1 552	1 462
Taxes other than income tax	440	415	1 366	1 278
Security and fire safety	345	273	950	807
Purchased heat energy	115	85	778	680
Fees of electricity market operators	264	231	752	660
Other materials	278	226	659	684
Gain on disposal of property, plant and equipment and other non-current assets	(7)	(27)	(220)	(82)
Other operating expenses	721	390	2 084	1 717
Total operating expenses	17 450	14 670	62 799	53 220

Note 18 Finance Income and Finance Costs

	Three months ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
Finance income				
Interest income on loans issued	128	40	368	217
Effect of discounting of financial instruments	21	29	63	191
Exchange differences income	1	1	11	2
Interest income on bank deposits and current bank accounts balances	1	2	9	10
Other financial income	62	-	62	1
Total finance income	213	72	513	421

PJSC TERRITORIAL GENERATING COMPANY №1
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR NINE
MONTHS ENDED 30 SEPTEMBER 2021 (UNAUDITED)
(in millions of Russian Roubles)

Finance costs				
Interest expense on borrowings	(170)	(96)	(490)	(427)
Interest expense on lease	(115)	(152)	(377)	(469)
Exchange differences expenses	(2)	(1)	(8)	(1)
Effect of discounting of financial instruments	(2)	(2)	(6)	(26)
Total finance costs	(289)	(251)	(881)	(923)
Net of capitalized borrowing costs related to qualified assets	19	25	51	84
Total finance costs net of capitalised borrowing costs	(270)	(226)	(830)	(839)

Note 19 Basic earnings per share, attributable to the owners of PJSC «TGC-1»

Earnings per share attributable to owners of PJSC TGC-1 have been calculated by dividing the profit for the period, attributable to the owners of PJSC TGC-1 by the weighted average number of shares placed (Note 11). The calculation of earnings per share is presented in the table below.

	Three months ended		Nine months ended	
	30 September		30 September	
	2021	2020	2021	2020
Issued shares (thousand of pieces)	3 854 341,417	3 854 341,417	3 854 341,417	3 854 341,417
Weighted average number of ordinary shares (thousand of pieces)	3 854 341,417	3 854 341,417	3 854 341,417	3 854 341,417
Profit for the period attributable to owners of PJSC "TGC-1" (in RUB mln)	(597)	(521)	6 823	5 931
Earnings per ordinary share attributable to the owners of PJSC "TGC-1" after tax – basic – in Russian Roubles	(0.0002)	(0.0001)	(0.0018)	(0.0015)

There are no dilutive financial instruments outstanding in the Group as at 30 September 2021 and 31 December 2020.

Note 20 Commitments

As at 30 September 2021, the Group had outstanding contractual commitments relating to the construction and purchase of property, plant and equipment in the amount of RUB 24 073 million including VAT (31 December 2020: RUB 13 997 million).

Note 21 Fair value of financial instruments

The fair value of financial assets and liabilities is determined as follows:

Financial instruments in Level 1

The fair value of financial instruments traded in active markets is based on quoted market closing prices at the reporting date.

Financial instruments in Level 2

The fair value of financial instruments that are not traded in an active market is determined by using various valuation techniques, primarily based on market or income approach, such as discounted cash flows valuation method. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on Group specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Financial instruments in Level 3

If one or more of the significant inputs in the valuation model used to fair value an instrument is not based on observable market data, the instrument is included in Level 3. The fair value of financial instruments, such as short-term trade and other receivables and trade and other payables are classified as Level 3.

There was no change in the fair value measurement methods attributed to Level 2 and Level 3 for three and nine months ended 30 September 2021 (31 December 2020: there was no change). There were no transfers between levels for three and nine months ended 30 September 2021 (31 December 2020: there were no transfers).

As at 30 September 2021 and 31 December 2020 the estimated fair value of financial assets and liabilities, that are not recognised at fair value in consolidated statement of financial position, is slightly different from their present value.

Note 22 Events after the Reporting Period

Borrowings

During the period between reporting date and signing date the Group received short-term borrowings of RUB 3 663 million.

During the period between reporting date and signing date, the Group repaid borrowings for a total amount of RUB 3 457 million.